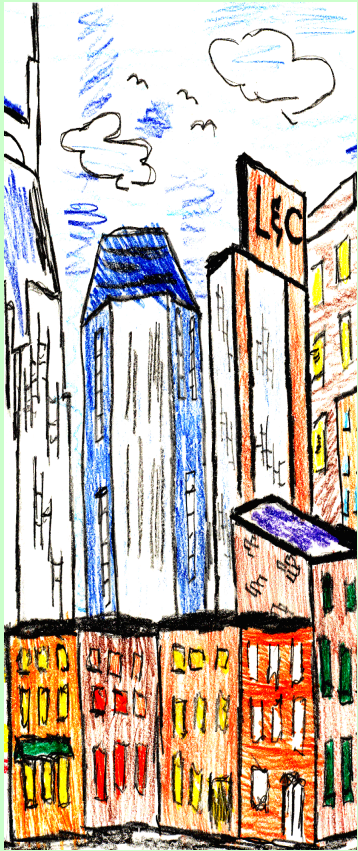


**Metropolitan
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Mayor Karl Dean

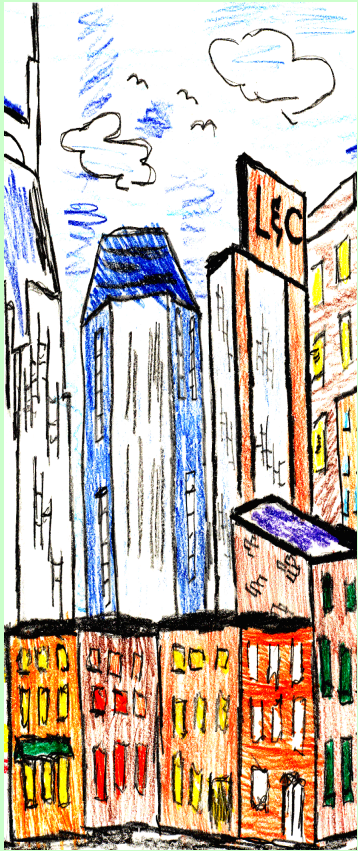
The Budget Fiscal Year 2010

Richard M. Riebeling

Finance Director

May 1, 2009

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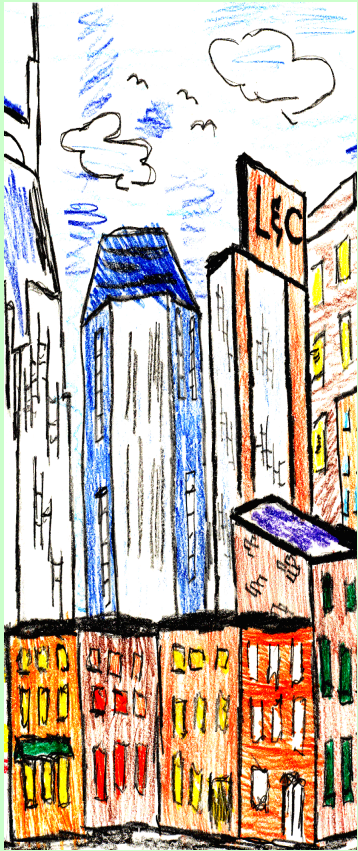


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FY2010 Operating Budget

The Budget FY 2010

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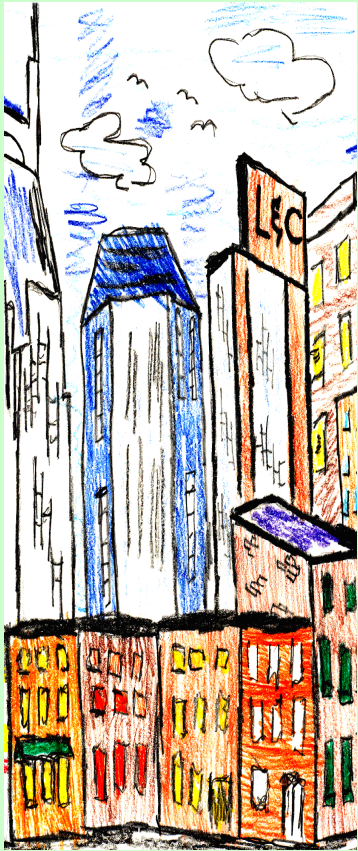
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Current Year Budget Status

- **Lower Revenues**
 - Sales Tax \$24 million
 - Development/Building Fees \$4.5 million
- **Reversionary Target Savings**
 - \$ 3.8 Million
- **Fund Balance Concerns**

The Budget FY 2010

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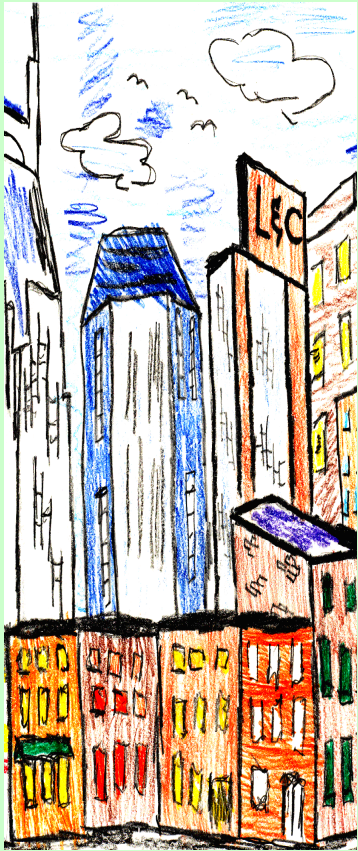
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Building Blocks for FY10 Budget

- **Economic Conditions**
- **Less Revenue Than Budgeted For FY09**
- **Reappraisal**
 - **Perception vs. Reality**

The Budget FY 2010

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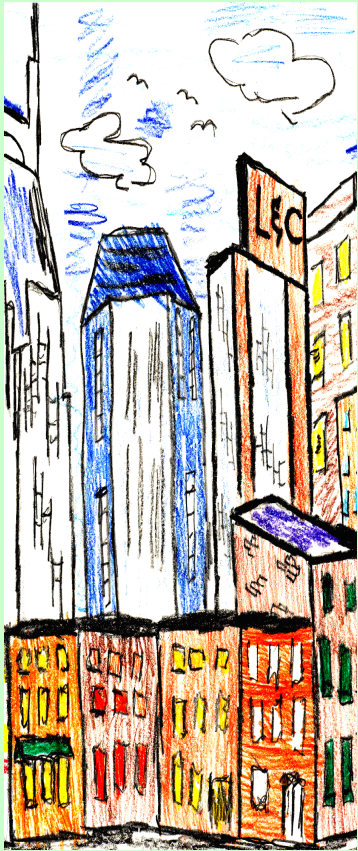
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Conclusion

- **2010 Is Not Year To Raise Property Taxes**
- **Departments Will Be Forced To Do With Less**

The Budget FY 2010

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Balanced Budget—NO NEW TAXES

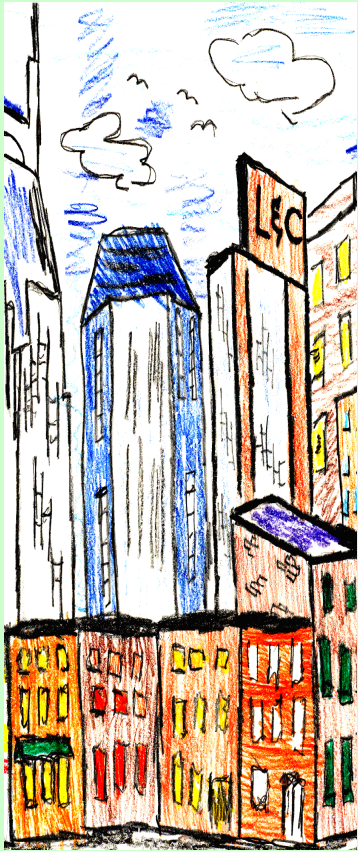
- **No Facilities Will Be Closed**
- **Priorities Will Be Safeguarded**
 - **Public Safety**
 - **Education**
 - **Quality of Life**
- **Government Will Maintain Basic Services At A Cost of \$27 Million Less To The Citizens**

The Budget FY 2010



The Budget FY 2010

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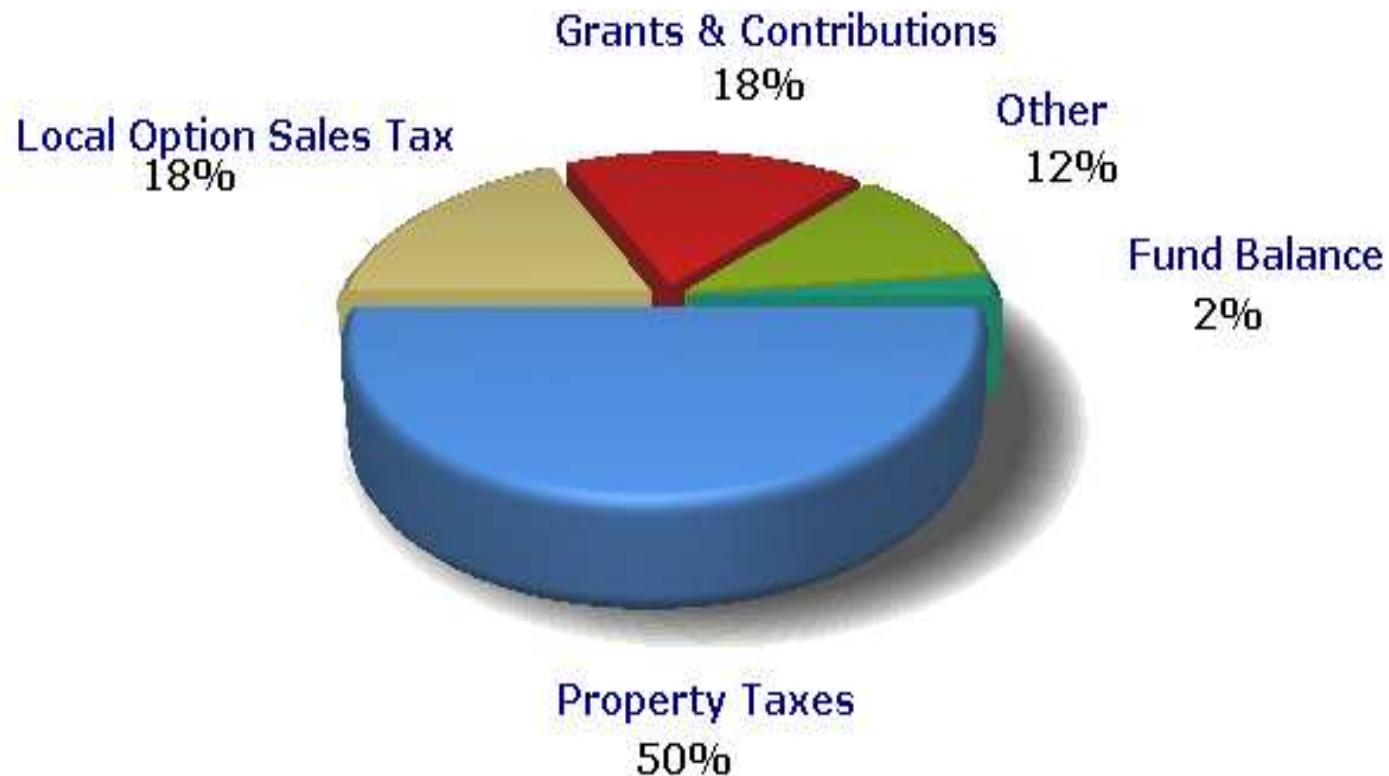
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Budget Overview

- **Total Budget \$1,542,162,700**
- **Decrease of 2.24% from 08-09**
- **\$27 M Less Than The 08-09 Approved Budget**

The Budget FY 2010

Where The Money Comes From



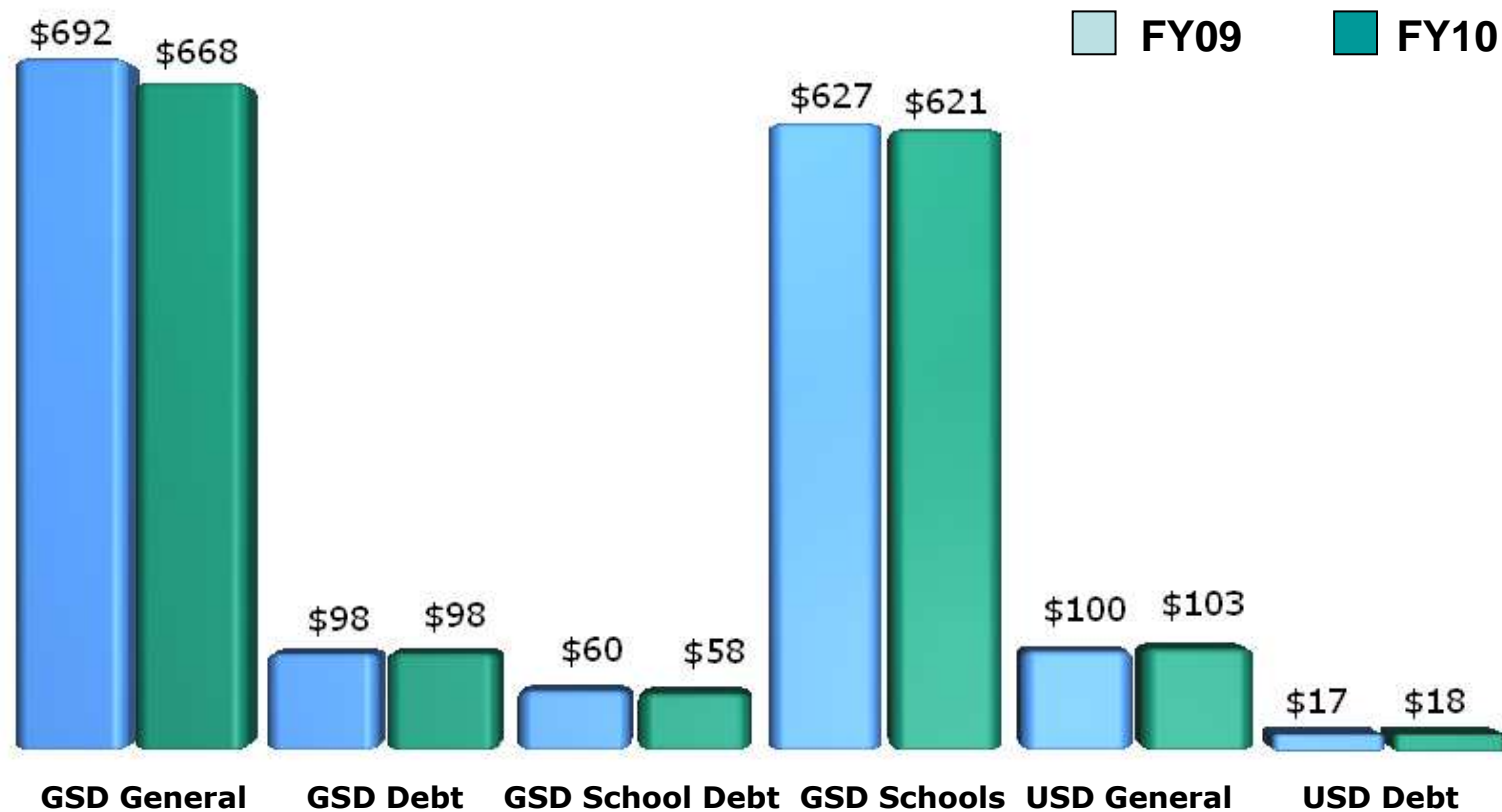
The Budget FY 2010

Where The Money Goes



The Budget FY 2010

Budget Comparison By Fund



The Budget FY 2010

Economic Stimulus Funding

Still Assessing !

The Budget FY 2010

Economic Stimulus Funding

(Selected Funding Opportunities)

- **Justice Assistance Grant for Public Safety Departments**
- **Energy Efficiency Block Grant (Green Initiatives)**
- **NCAC**
- **Capital Dollars for Public Works and MTA**
- **State Medicaid Dollars for General Hospital**
- **Metro Action Commission**

The Budget FY 2010

Required Budget Increases

- **Health, Life and Dental (GSD/USD) - \$3,948,400**
- **IOD (GSD/USD) - \$554,900**
- **Utilities**
 - **\$250,000 Stormwater Fees**
 - **\$335,300 Gas/Electric/Water**
- **Rent - \$484,000**
- **Contractual Requirements**
 - **\$474,400 Forensic Medical Examiner**
 - **\$148,000 Correctional Health Services**



The Budget FY 2010

Required Budget Increases

- **Property Tax Relief - \$306,100**
- **Full Year Funding of FY09 Pay Plan**
 - **\$1,827,400**



The Budget FY 2010

Metro Wide Initiatives



The Budget FY 2010

Impact to Employees

- **FTE Reductions**
- **No Increments In FY10**
 - **\$4,443,900 Savings (GSD/USD)**
- **Longevity & Perfect Attendance Suspended in FY10**
 - **\$3.1 Million Savings (GSD/USD)**



The Budget FY 2010

Overall Position Reductions (Estimated)

<u>Filled</u> 100-125	<u>Vacant</u> 160-180
--	--



The Budget FY 2010

Travel Reductions



The Budget FY 2010

Travel Reductions

- **Eliminated Registrations, Tuition, Out of Town Travel and Employee Air Travel From Departmental Operating Budgets**
- **Restored \$350,000 Administrative Appropriation For Essential Travel**
- **Estimated Savings of \$800,000 (GSD)**

The Budget FY 2010

Fleet Operations

- **Reduce Fleet Size By 10+%**
- **Eliminate More Take Home Vehicles**
- **Benefit of Lower Fuel Costs (Hedging)**

The Budget FY 2010

Budget Instructions

- **10% cut**
- **No Improvements**



The Budget FY 2010

Public Safety



The Budget FY 2010

Police



- **FY09 Budget - \$143,673,600**
- **\$2 Million Reduction ***
- **\$850,000 Addition From Hotel/Motel Tax For Special Events Overtime**
- **Net Reduction \$1.15 Million (0.88%)**
- **No Impact to Full Complement of Sworn Officers**
- **Use COPS Grants to Grow Force (Applied For)**

** Does not include internal service fees*

The Budget FY 2010

Fire

- **\$2 Million Reduction (- 1.84%)**
- **Cuts Administrative Areas**
- **No Reduction in Line Personnel**
- **Overtime Reduction**
- **No Need for Additional Ambulance Unit**
- **Response Time Down Due to Changes in Procedures**

** Does not include internal service fees*



The Budget FY 2010

District Attorney (- 2%)

Emergency Communications Center (- 2.3%)

Juvenile Court (- 4.84%)

Public Defender (- 2%)

Sheriff (- 2.5%)

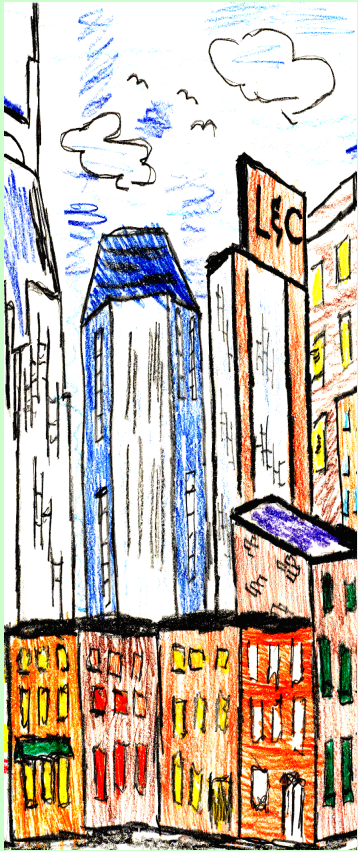
The Budget FY 2010



Education

The Budget FY 2010

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Highlights

- **Fully Funds School Budget Request of \$620,762,100**
- **Increase % Of Local Funding to Schools Operating Budget To Meet State Mandated "Maintenance of Effort"**
- **Use of Fund Balance of \$12.4 Million**
 - **Leaves 5%**
- **Concerns**
 - **No Information on Central Office Changes**
 - **No Information on Use of Stimulus Dollars**

The Budget FY 2010

Additional Education Issues

- **Middle School Aftercare Initiative - \$400,000**
- **School Libraries - \$277,800**
- **Community Education**

The Budget FY 2010

Community Education

FY10 Budget Assumptions

- **Metro Subsidy = \$318,000**

Includes salary and fringe for all current filled positions, plus projected administrative expenses

- **MNPS Subsidy - \$215,000**

- **Other Site Revenues**

Must Cover Costs To Run All Programs/Classes and Be Self-Sufficient

- **Ordinance Includes Language to Adjust Budget Based on Task Force Recommendations**

The Budget FY 2010



Courts And Elected Officials

**Most Received
Approximately A 6%
Reduction**

The Budget FY 2010



General Sessions

- **\$271,800 (- 2.9%)**
- **Increase Revenue \$691,400**
 - **Driver's License Reinstatement Program**

The Budget FY 2010



Health & Social Services

Budgets Reduced 10% For

- **Health**
- **Metro Action Commission**
- **Social Services**
- **NCAC**

The Budget FY 2010



Homelessness Services

- **10% Reduction**
- **Transferred \$150,000 from Health Department to MDHA for Campus for Human Development**
- **Improvements for HMIS System**

The Budget FY 2010



Hospital Authority

- **Reduces Subsidy By \$4.7 Million**
- **Transfer \$885,800 for Security Costs to Sheriff's Office**
- **No Impact on Services**
- **No Reductions to Clinics**
- **City Will Forgive \$32 Million Line of Credit Saving the Authority Interest Costs**

The Budget FY 2010



Other Government Agencies

The Budget FY 2010



Parks and Recreation

- **10% Reduction of \$2.8 Million**



- **Reduced Hours At Some Neighborhood Community Centers**

- **Increased Time Between Grass Mowing**



- **Increased Responsibilities For Administrators**

The Budget FY 2010

Libraries



- **5.5% Reduction**
- **Reduced Hours at Downtown Library**
- **Slight Adjustment in Hours At Area Libraries (3 Hours per week)**
- **No Change To Community Libraries**

The Budget FY 2010

Public Works



- **Transfers Street Sweeping Contract to Water Services Department**
- **Decreases 3 Maintenance Crews**
- **Administrative Personnel Reductions**
- **Took All Steps Possible to Minimize Impact To Citizen Services**

The Budget FY 2010

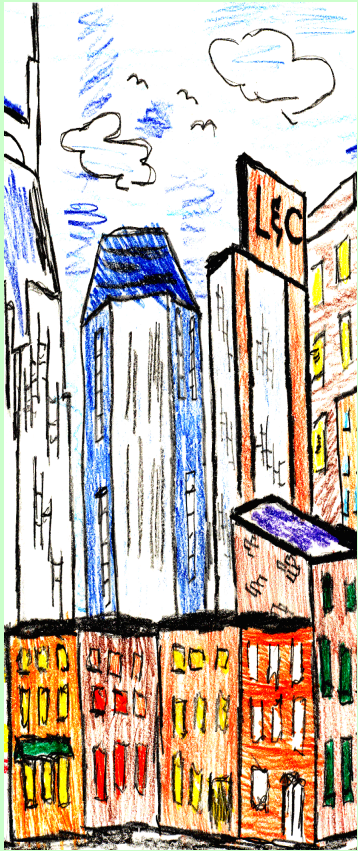


Metro Transit Authority

- **\$2.3 Million Increase**
- **Maintains Existing Service**
- **Starts First BRT Route (Gallatin Road)**
- **Downtown Circulator**
- **Continues Funding for Metro Easy Ride Program**

The Budget FY 2010

Metropolitan
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**Most Other
Departments &
Agencies Will Receive
On Average A 10%
Reduction ***

** Does not include internal service fees*

The Budget FY 2010

Other Departments (Selected Examples)

- **Beer Board (- 10%)**
- **Codes (- 9%)**
- **Elections (- 10%)**
- **Finance (- 10%)**
- **Historical (- 10%)**
- **Human Relations (- 10%)**
- **Human Resources (- 8%)**
- **ITS (- 6%)**
- **JIS (- 5%)**
- **Law (- 3%)**
- **Mayor's Office/OEM (- 10%)**
- **Internal Audit (- 10%)**
- **Metro Clerk (- 7%)**
- **Planning (- 10%)**
- **Transportation Licensing (- .4%)**

The Budget FY 2010

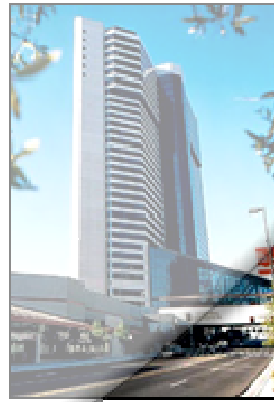
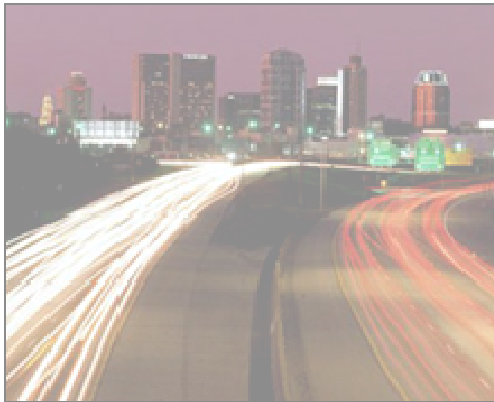
Community Enhancement Fund & Arts Commission

CEF Grant Allocations Reduced 10%
Arts Reduced 7.6%



The Budget FY 2010

Hotel-Motel Occupancy Tax Fund



The Budget FY 2010

Hotel/Motel Highlights



- **Convention Center - \$631,900**
- **Sommet Center - \$7,351,500**
- **Municipal Auditorium - \$668,400**
- **Farmers Market - \$119,700**
- **Regional Transit Authority - \$1,164,900**
- **Metro Transit Authority - \$1,400,000**
- **Sister Cities - \$40,000**
- **Partnership 2010 - \$300,000**
- **Nashville Sports Council - \$100,000**
- **Adventure Science Center - \$200,000**
- **Country Music Hall of Fame - \$150,000**
- **Opryland Tourist Development Zone - \$399,600**
- **Arts Commission - \$100,000**
- **Nashville Convention & Visitors Bureau Promotion - \$425,000**
- **Historical Commission Conference - \$25,000**
- **Police - Special Events Overtime - \$850,000**

The Budget FY 2010

Additional Legislation

- **Hospital Authority/Sheriff's Office MOU**
- **Suspension of Increments and Longevity Pay**
- **Planning Fee Reduction**
- **Capital Spending Plan**

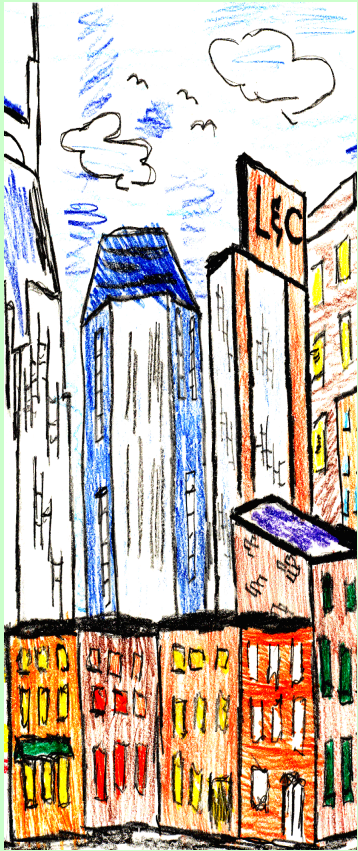


The Budget FY 2010

Looking Ahead To FY 2011

- **Budget Conservatively**
- **Must Increase Fund Balance**
- **Must Be Prepared To Address Pension Contribution**
- **Must Continue Looking To Improve Efficiencies - Already Several Departments Talking About Consolidating/Cross Training Inspectors**
- **Must Appropriate Debt Service To Protect Bond Rating**

**Metropolitan
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Capital Spending Plan

Capital Spending Plan

Legislation

- **Deauthorizing all previously approved projects**
- **Bond resolution authorizing projects going forward**
- **Resolutions will be filed for May 19th Council Meeting**
- **GSD/USD Debt Service Funds Will Require Additional Money in FY 2011**

Capital Spending Plan

Bond Rating/Market Access

- **Market conditions have improved and we continue to be able to access commercial paper program**
- **Funds projects until we issue permanent bonds probably late next year**
- **Maintained rating but critical to put more money in debt service going forward**

Capital Spending Plan

Deauthorizing Resolution

- **Previous Councils have approved projects far in excess of our bond capacity**
- **Eliminate approximately \$200 million in projects**
- **Cleans up so that there is no question where money will be spent**

Capital Spending Plan

New Initial Bond Resolution

- **Authorizes \$500 million in projects**
- **Most already underway or previously approved;**
 - **\$116 million in new projects**
- **Complete list of projects will be filed with resolution**
- **\$130+ million already spent**

Capital Spending Plan

Projects To Be Included

- **Parks**
- **Fulton Complex**
- **Riverfront Development**
- **Police/Fire**
- **Public Works**
- **MTA**
- **Schools**

The Budget FY 2010

**For More Information Visit The
Citizen's Guide to the Metro Budget
www.nashville.gov/citizens_budget**

